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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended May 31, 1992 or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

PROCESSED BY
JUL 23 1992
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IQ-Data Corp. - St. Petersburg, FL

Commission file number 0-18299

NEWS COMMUNICATIONS, INC.
(Exact name of registrant as specified in its charter)

NEVADA	13-3346991
(State or other jurisdiction of incorporation or organizations)	(I.R.S Employer I.D.Number)

330 Seventh Avenue, New York, New York 10001
(Address of principal executive offices) (Zip Code)

Registrant's telephone number: (212) 268-8600

Indicate by check mark whether Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that Registrants was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO_____

As of July 16, 1992, 4,423,664 shares of common stock was outstanding.

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NEWS COMMUNICATIONS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS

	May 31, 1992 (unaudited)	November 30, 1991
CURRENT ASSETS:		
Cash	$ 204,681	$ 165,574
Accounts Receivable- Less: Allowance for Doubtful Accounts of $453,600 and $342,700, Respectively	1,743,340	1,685,626
Other Current Assets	116,020	59,075
TOTAL CURRENT ASSETS	2,064,041	1,910,275
Property and Equipment at Cost- Net of Accumulated Depreciation of $234,074 and $191,387, Respectively	280,722	295,947
Goodwill - Net	3,178,958	3,275,690
Prepaid Public Offering Costs	170,525	--
Other Assets	158,924	176,037
TOTAL ASSETS	$ 5,853,170	$ 5,657,949

NEWS COMMUNICATIONS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	May 31, 1992 (unaudited)	November 30, 1991
CURRENT LIABILITIES:		
Accounts Payable and Accrued Expenses	$ 1,132,299	$ 614,697
Notes Payable - Bank	275,000	100,000
Accrued Payroll Taxes	311,478	240,972
Notes Payable- Other	473,750	350,000
Other Current Liabilities	58,808	9,496
TOTAL CURRENT LIABILITIES	2,251,335	1,315,165
LONG TERM DEBT:		
Notes Payable - Other	439,750	913,500
Other Payables	9,591	1,860
TOTAL LONG TERM DEBT	449,341	915,360
TOTAL LIABILITIES	2,700,676	2,230,525
COMMITMENTS AND CONTINGENCIES	-----	-----
STOCKHOLDERS' EQUITY:		
Preferred Stock, $1.00 Par Value; 500,000 Shares Authorized:		
10% Convertible Preferred Stock, 1,250 Shares Authorized; 41 and 333 Issued and Outstanding, Respectively	41	333
8% Convertible Preferred Stock, 500 Shares Authorized; 100 and None Issued and Outstanding, Respectively	100	----
12% Convertible Preferred Stock, 200 Shares Authorized; 200 and none Issued and Outstanding, Respectively	200	----
Common Stock, $.01 Par Value; Authorized, 100,000,000 Shares; 4,569,492 and 4,034,589 Issued and Outstanding, Respectively	45,695	40,346
Paid-in Capital - Preferred Stock	436,489	1,208,437
Paid-in Capital - Common Stock	7,078,387	6,001,428
(Deficit)	(4,000,189)	(3,414,891)
	3,560,723	3,835,653
Less: Treasury Stock (149,333 Common Shares) - At Cost	(408,229)	(408,229)
TOTAL STOCKHOLDERS' EQUITY	3,152,494	3,427,424
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 5,853,170	$ 5,657,949

NEWS COMMUNICATIONS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended May 31,		Six Months Ended May 31,	
	1992	1991	1992	1991
	(Unaudited)		(Unaudited)	
NET REVENUES	$ 1,780,150	$ 1,698,650	$ 3,034,811	$ 2,950,314
EXPENSES:				
Direct Mechanical Costs	504,260	406,189	847,166	733,326
Salaries, Benefits and Outside Labor Costs	831,316	873,077	1,641,067	1,654,504
Rent, Occupancy & Utilities	94,893	120,297	217,163	222,791
Provisions for Doubtful Accounts	56,000	41,500	133,000	67,800
General and Administrative	332,396	239,468	707,808	508,066
TOTAL EXPENSES	1,818,865	1,680,531	3,546,204	3,186,487
OPERATING INCOME (LOSS) BEFORE INTEREST EXPENSE	(38,715)	18,119	(511,391)	(236,173)
INTEREST EXPENSE	49,910	13,979	73,907	40,721
NET INCOME (LOSS)	$ (88,625)	$ 4,140	$ (585,298)	$ (276,894)
NET INCOME (LOSS) PER SHARE	$(.02)	$ .00	$ (.14)	$ (.13)
WEIGHTED AVERAGE SHARES OUTSTANDING (See Note B)	4,325,799	2,271,214	4,223,280	2,150,936

NEWS COMMUNICATIONS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

	Six Months Ended May 31,	
	1992	1991
	(Unaudited)	
Operating Activities:		
Net (Loss)	$ (585,297)	$ (276,894)
Adjustments to Reconcile Net (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	139,419	113,469
Provision for Losses on Accounts Receivable	133,000	67,800
Reduction in Prepaid Interest and Discount	----	15,084
Change in Assets and Liabilities:		
(Increase) in Accounts Receivable	(190,714)	(465,380)
Decrease (Increase) in Other Current Assets	17,113	(28,778)
(Increase) in Goodwill	----	(1,017,946)
(Increase in Public Offering Costs	(34,148)	----
(Increase) in Other Assets	(49,945)	6,051
(Decrease) Increase in Accounts Payable and Accrued Expenses	384,592	(126,381)
Increase in Payroll Taxes Payable	70,506	628
Increase (Decrease) in Other Current Liabilities	49,312	(56,052)
Total Adjustments	519,135	(1,491,505)
NET (DEFICIT) - OPERATING ACTIVITIES - Forward	(66,162)	(1,768,399)

News Communications, Inc. and Subsidiaries

	Six Months Ended May 31,	
	1992	1991
	(Unaudited)	
NET (DEFICIT) - OPERATING ACTIVITIES - Forwarded	(66,162)	(1,768,399)
INVESTING ACTIVITIES:		
Capital Expenditures	(27,462)	(65,371)
NET CASH USED BY INVESTING ACTIVITIES	(27,462)	(65,371)
FINANCING ACTIVITIES:		
Principal Payments Long-Term Debt	(350,000)	(217,000)
Proceeds of Bank and Other Notes	175,000	750,000
Purchase of Treasury Stock	----	(18,229)
Proceeds From Preferred Stock Offering	300,000	----
Other Financing Activities	7,731	----
NET CASH PROVIDED BY FINANCING ACTIVITIES	132,731	514,771
NET INCREASE (DECREASE) IN CASH	39,107	(1,318,999)
CASH - BEGINNING OF PERIODS	165,574	1,838,689
CASH - END OF PERIODS	$ 204,681	$ 519,690

NEWS COMMUNICATIONS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A. Basis of Presentation:

The consolidated balance sheet as of May 31, 1992 and the statement of operations for the three and six months ended May 31, 1992 and May 31, 1991, the consolidated statement of cash flow for the six-month period ended May 31, 1992 and May 31, 1991, have been prepared by the company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flow have been made. The results for the interim periods are not necessarily indicative of the results for a full year.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been consolidated or omitted. These consolidated financial statements should be read in conjunction with the company's annual report Form 10-K for the fiscal year ended November 30, 1991 and the related audited financial statements included therein.

B. Common Stock

On May 12, 1992, the Company effected a one-for-ten reverse stock split on its common stock. All references to shares of common stock, retroactively reflect this reverse split.

C. Loss per Share:

Loss per share is based on the weighted average number of shares outstanding during the periods.

NEWS COMMUNICATIONS, INC. AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

News Communications, Inc. publishes various free circulation newspapers in the New York Metropolitan area.

The Company publishes **The Queens Tribune**, **The Manhattan Spirit**, **Dan's Papers** and **Our Town** - all weekly regional newspapers, and **Office Life**, a monthly magazine until April of 1991, when it was restructured as a monthly supplement to **The Manhattan Spirit**.

On March 10, 1992, the Company signed letters of intent with Enlightenment Press and Barnegat Communications, to acquire three newspapers serving Manhattan and two newspapers serving resort areas of New Jersey. The consummation of the proposed transactions is subject to the negotiations of definitive agreements with the selling parties. At the present time, the Company cannot determine whether it is more likely than not that either or both of the proposed acquisitions will ultimately be consummated.

The following table sets forth, for the periods indicated, certain information relating to each of the Company's publications and to certain expenses incurred by the parent company, **News Communications, Inc.** The information for the three and six months ended May 31, 1992 and 1991 is unaudited. Management does not believe that there is any distortion that materially affects this presentation.

	Three Months Ended May 31,		Six Months Ended May 31,	
	1992	1991	1992	1991
	(Unaudited)		(Unaudited)	
ONGOING OPERATIONS:				
Net Revenues:				
Queens Tribune	$ 681,554	$ 686,738	$1,236,525	$1,198,399
The Spirit	445,218	582,882	824,460	1,089,312
Dan's Papers	402,707	286,252	515,354	357,499
Our Town(1)	246,742	11,411	444,362	11,411
Total Revenues	$1,776,221	$1,567,283	$3,020,701	$2,656,621
Income (Loss):				
Queens Tribune	$ 105,190	$ 88,526	$ 153,124	$ 133,286
The Spirit	(18,275)	44,602	(61,651)	82,486
Dan's Papers	93,659	16,610	(5,588)	(95,218)
Our Town(1)	23,842	(1,001)	41,175	(1,001)
Income from Operations:	204,416	148,737	127,060	119,553
Less: Amortization of Goodwill(2)	48,366	39,392	96,732	78,784
Net Income from Ongoing Operations	$ 156,050	$ 109,345	$ 30,328	$ 40,769
Restructed Operations:				
Office Life - Loss From Operations(3)	$ 15,345	$ 27,221	$ 126,271	$ 126,937
Parent Company Expenses:				
Personnel, Rent, General and Administrative	$ 180,587	$ 87,077	$ 417,902	$ 198,164
Interest Expense (Income)(4)	$ 48,743	$ (9,093)	$ 71,453	$ (7,438)
Net Income (Loss):	$ (88,625)	$ 4,140	$ (585,298)	$ (276,894)

(1) Net Revenues and Income From Operations for Our Town are from the date of acquisition, May 22, 1991.

(2) Amortization of goodwill by publication is as follows:

	Three Months Ended May 31,		Six Months Ended May 31,	
	1992	1991	1992	1991
Queens Tribune	$26,717	$26,717	$53,434	$53,434
Dan's Papers	12,675	12,675	25,350	25,350
Our Town	8,974	----	17,948	----
	$48,366	$39,392	$96,732	$78,784

(3) Results of operations from Office Life have been segregated since Office Life was converted from a monthly magazine to a monthly tabloid supplement to the Manhattan Spirit in March 1991. Final restructuring was completed in March 1992.

(4) Net of interest income of $20,817 for the three months and $44,167 for the six months ended May 31, 1991.

Results of Operations

The following discussion compares results of operations for the three months ended May 31, 1992 and 1991 and for the six months ended May 31, 1992 and 1991.

Ongoing Operations

Three Months Ended May 31, 1992 and 1991. The Queens Tribune had a decrease in revenue (1%). The Spirit's decrease in revenue (24%) was primarily from a reduction of both display and classified sales resulting from the continued adverse economic conditions in the New York City Area. Dans Papers' increase in revenue (41%) was primarily from increased display sales due to greater recognition in the community, increased sales efforts in the display area, as well as an increase in sales from its Montauk Pioneer edition. Our Town was acquired effective the last week of May 1991, and thus revenues for 1991 are not significant.

The increase in income for the Queens Tribune (19%) was generated due to lower general and administrative expenses, as compared to last year. The Spirit showed a loss this year, as compared to a profit in 1991, due primarily from lower display and classified revenue. Operating expenses were reduced, but not enough to offset the decrease in revenue. Dans Papers' income increased significantly (464%) due to the large increase in revenue, offset with increases in sales expenses and printing costs. Our Town's income from operations was about $24,000, with no comparable quarter last year, since operations commenced the last week of May 1991.

Six Months Ended May 31, 1992 and 1991. The increase in revenue for the Queens Tribune (3%) was obtained due to the growth of its Western Queens edition, offset by the general decline in economic conditions in the New York City area. The Spirit's decrease in revenue (24%) occurred in both display and classified advertising. This decline was also due to adverse economic conditions in the New York City area. Dans Papers' increase in

revenue (44%) was primarily achieved from significant increases in display sales, as well as from increased classified sales. Our Town's revenue was about $440,000. No comparison can be made to last year since the paper was acquired in the last week of the quarter.

The increase in income for the Queens Tribune (16%) was due to higher revenue with only small increases in operating costs. The decrease in income for The Spirit resulted primarily from lowered display and classified revenue. Operating expenses were reduced, but not enough to offset the decrease in revenue. Dans Papers', which traditionally has a large loss during the winter period, achieved a significant decrease in its loss. This was achieved through higher display sales, with appropriate increased costs for printing the larger paper, and increased sales expense. Our Town had an income of over $41,000 as compared to about $1,000 in the one week that the paper was owned last year.

Restructured Operations. Office Life was restructured as a monthly section of The Spirit in the second quarter of 1991. In the course of this realignment, significant expenses were incurred. This realignment was substantially completed by the end of the first quarter of 1992. Although there can be no assurance, no further material losses are expected.

Parent Company Expenses. Increases in expenses for the parent company were for general and administrative expenses, primarily due to the increase personnel costs and the amortization of goodwill, in both the three and six months periods ended May 31.

Liquidity and Capital Resources

At May 31, 1992, the Company had an excess of current liabilities over current assets in the amount of approximately $187,000. During May 1992, notes payable of $250,000 to the former owner of Our Town, was paid by obtaining funds from the sale of $200,000 of new 8% Convertible Preferred Stock and $100,000 of new

12% Convertible Preferred Stock. An additional $117,000 of 8% Convertible Preferred Stock was sold in July 1992. Bank debt (pursuant to a $300,000 credit line from Chemical Bank), totalling $275,000, is due July 27, 1992. The Company believes that this obligation will be extended, as it has on two prior occasions.

Although (and there can be no assurances) the Company's operations during the last two quarters of the current fiscal year may generate some positive cash flow because such period encompasses the summer months, it is unlikely that any amounts generated will be sufficient to meet the Company's cash requirements during the next 12 month period. To provide funds for working capital for current publications, proposed acquisitions, and a desired expansion of sales staff and other expenses not covered by revenue, the Company has filed an S-1 registration with the Securities and Exchange Commission. This public offering, for 1,500,000 units (each unit to consist of one share of common stock and two warrants to purchase additional shares of common stock) is to be sold through Hibbard Brown & Company. If this offering is successful, the Company expects to realize sufficient funds to cover all of the Company's presently foreseeable financial needs.

In the absence of such financing, management believes it would be able to raise the funds necessary to meet its obligations through either factoring financing of its receivables or by loans from certain board members, who have indicated a willingness to do so if necessary, as they have done at certain times previously. While there can be no assurance that such fund-raising efforts would be successful, management believes that the necessary funds could be raised in a timely manner. Failure to raise such funds could have material adverse affects upon the Company, including the possible foreclosure on pledges of the stock of the companies that own The Spirit and of Our Town.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunder duly authorized.

NEWS COMMUNICATIONS, INC.
(Registrant)

Date: July 17, 1992

By: _____
Michael Schenkler President

Date: July 17, 1992

By: _____
Philip Brettschneider,
Controller